

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

RECEIVED
OCT 24 2005
INSURANCE COMMISSIONER
COMPANY SUPERVISION

In the Matter of
CENTRE LIFE INSURANCE COMPANY,

An Authorized Insurer.

No. D 2005 - 382

CONSENT ORDER

Comes now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.01.020 and RCW 48.05.130-185, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

FINDINGS OF FACT

1. Centre Life Insurance Company is an insurer holding a certificate of authority to transact insurance in the State of Washington, and is therefore governed by Title 48 RCW.
2. RCW 48.05.130-185 provides a process for addressing insurer violations of Title 48 Revised Code of Washington and Title 284 Washington Administrative Code.
3. RCW 48.05.250 requires each insurer, before the first day of March, to file a true statement of its financial condition, transactions, and affairs as of the thirty-first day of December preceding.
4. Chapter 284-07 WAC sets forth the form and requirements for filing financial statements for the year ended the immediately preceding December thirty-first.
5. Centre Life Insurance Company failed to file with its annual financial statement for the year ended December 31, 2004 before March 1, 2005.
6. Attached Exhibit A is incorporated herein for the purpose of identifying the date of Centre Life Insurance Company's annual statement filing.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

CONCLUSIONS OF LAW

1. Centre Life Insurance Company by and through the conduct described above has violated RCW 48.05.250 and Chapter 284-07 WAC by failing to timely file in proper form its annual statement as of December 31, 2004.
2. RCW 48.05.185 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of a certificate of authority.
3. Centre Life Insurance Company committed the following violation of Washington law:

Centre Life Insurance Company failed to timely file its annual financial statement for the year ended December 31, 2004 in the form required by Chapter 284-07 WAC.

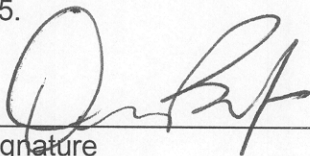
CONSENT TO ORDER

Centre Life Insurance Company consents to entry of this Order, waives further administrative or judicial proceedings in this matter, and acknowledges its duty to comply fully with the applicable laws of the State of Washington. The Insurance Commissioner has offered a settlement in lieu of suspending or revoking the certificate of authority.

By agreement of the parties, the Insurance Commissioner will impose a fine of \$5000 on condition that:

1. Within thirty days, Centre Life Insurance Company pays to the Insurance Commissioner the full amount of the fine;
2. Centre Life Insurance Company commits no further violations of the statutes and regulations that are the subject of this Consent Order;
3. Centre Life Insurance Company voluntarily consents to this order to resolve the issues and conduct described herein and with the understanding that the payment of the amount due is a condition to avoiding suspension or revocation of the Certificate of Authority.

EXECUTED this _____ day of _____, 2005.



Signature



Title

ORDER OF THE INSURANCE COMMISSIONER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. Centre Life Insurance Company is ordered to pay a fine in the amount of \$5000 upon the condition that The Company fully complies with the laws and regulations of the State of Washington which are the subject of this Order; and
2. Upon failure to pay the fine within the time limit set forth above, the sum will be recoverable in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington, pursuant to RCW 48.05.185.

Consent Order No. D 2005 -382
Page Three

ENTERED TUMWATER, WASHINGTON this 24th day of October, 2005.

MIKE KREIDLER
Insurance Commissioner

By: 

JAMES T. ODIORNE, CPA, JD
Deputy Insurance Commissioner
Company Supervision Division

CENTRE

October 21, 2005

RECEIVED
OCT 24 2005

INSURANCE COMMISSIONER
COMPANY SUPERVISION

CENTRE INSURANCE
COMPANY

ZC SPECIALTY
INSURANCE COMPANY

CENTRE LIFE
INSURANCE COMPANY

VIA FACSIMILE – 360-586-2022

VIA EMAIL – chased@oic.wa.gov

CONFIRMATION VIA AIRBORNE TO: 5000 Capitol Blvd.

Turnwater, WA 98501

James T. Odiorne, CPA, JD
Deputy Insurance Commissioner
Company Supervision Division
5000 Capitol Blvd.
Turnwater, WA 98501

Attn.: Mr. Chase Davis

**Re: Centre Insurance Company
Consent Order No.: D 2005-381
- and -
Centre Life Insurance Company
Consent Order No.: D2005-382**

105 EAST 17TH STREET
NEW YORK, NY
10003

TEL: 212-859-2600
FAX: 212-859-2794

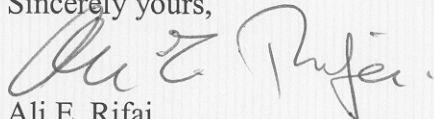
Dear Mr. Davis:

Pursuant to your office's conversations with Derek Wooley of Taplin & Associates on our behalf, enclosed please find herein, via facsimile and overnight courier (Airborne) prior to the deadline of close of business today, four (4) original Consent Orders (two (2) for each case) in the above-referenced matters that have been executed by Diana Branciforte, our Vice President.

Please arrange for the completion of the execution of all four (4) documents and kindly return two (2) fully executed originals (one for each case) for our files. Then, pursuant to the language of the Consent Order, we will forward payment of the fines within thirty-(30) days of our receipt of the two (2) fully executed copies of the above-mentioned documents for our files.

Thank you for your attention to this matter.

Sincerely yours,



Ali E. Rifai

Associate General Counsel

Global Legal Head of Insurance and Reinsurance

cc: Diana Branciforte (w/o enclosures)

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